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FISCAL IMPACT STATEMENT

LS 7331

BILL NUMBER: HB 1372

NOTE PREPARED: Feb 17, 2011

BILL AMENDED: Feb 17, 2011

SUBJECT: Public Transportation Funding.

FIRST AUTHOR: Rep. GiaQuinta

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: (Amended) This bill authorizes funding for public transportation authorities by means of: (1) the county adjusted gross income tax (CAGIT); (2) the county option income tax (COIT); or (3) the county economic development income tax (CEDIT).

It provides authority to hold a referendum on imposing a public transportation referendum income tax in a city served by a public transportation corporation, a regional transportation authority, or an urban mass transportation system. It also provides that the referendum may not be held until 2012.

Effective Date: July 1, 2011.

Explanation of State Expenditures: (Revised) *Department of State Revenue (DOR):* The DOR will incur additional expenses to revise tax forms, instructions, and computer programs to implement collection of the public transportation income tax.

(Revised) *State Budget Agency:* This bill provides that the State Budget Agency administer the public transportation income tax, if it is imposed by cities through referendum. The administration will be similar to the current administration of local option income taxes provided by the State Budget Agency. To the extent that cities approve the imposition of public transportation income taxes, State Budget Agency expenses will increase.

Each city that imposes the public transportation income tax will have a special account within the state General Fund. Revenue derived from the tax will be distributed to these funds and then distributed on a semiannual basis to the appropriate cities.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) If the fiscal body of a city adopts a resolution to put a referendum tax levy on the ballot, additional costs may be incurred for printing ballots if the election will be held at the primary, general, or municipal election at which all the registered voters of the public transportation corporation are entitled to vote. However, if the question is placed in a special election, additional costs will be paid by the city.

Background: When special elections occur, the largest expenditures are ballot printing costs (in counties with optical scan systems) and precinct election board expenditures. The following table shows the precinct election officers as provided by law. The table also includes the average pay per election by each office.

Type of officer	Number	Average Pay per Election*
Inspector	1	\$129
Judge	2	97
Poll Clerk	2	94
Sheriff**	2	106
Asst. Poll Clerk**	2	94
*Based on a survey of all counties with 57 responding.		
**May be eliminated by resolution of entire county election board.		

Many counties are not able to fill every position and several do not have assistant poll clerks. Additionally, counties may by resolution of the entire election board, discontinue sheriff and poll clerk appointments. Very few counties in the survey had assistant poll clerks or sheriffs.

Explanation of Local Revenues: The bill provides additional funding sources to pay any operating expenses of a public transportation corporation from the following sources.

(Revised) *Public Transportation Income Tax:* This bill provides the authority for cities to hold a referendum on imposing a public transportation income tax in cities served by public transportation corporations, regional transportation authorities, or urban mass transportation systems beginning in 2012. The public transportation income tax may be imposed at a rate up to 0.3% of city taxpayers' adjusted gross income. The additional revenue that may be generated by the adoption of public transportation income taxes by cities is indeterminable and will depend upon local action.

(Revised) *Local Option Income Taxes:* This bill would allow cities and counties (excluding Marion County) to provide revenue to public transportation entities with part of the distributive shares received from CAGIT, COIT, and CEDIT. Counties must adopt ordinances before September 1 of the preceding year specifying the amount of distributive shares that will be used for this purpose. This bill would allow an additional use for the revenue and would not change the total amounts distributed to the taxing units.

State Agencies Affected: DOR; State Budget Agency.

Local Agencies Affected: Public transportation entities; City fiscal bodies; County election boards.

Information Sources: LSA county survey on precinct election officer per diem.

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